

REDACTED – FOR PUBLIC INSPECTION

VIA ECFS

June 29, 2015

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
445 12th Street, S.W.
Washington, D.C. 20554

RE: **REQUEST FOR CONFIDENTIAL TREATMENT**
WC Docket No. 14-58 - ETC Annual Reports and Certifications

Request that Information Submitted to the Commission be Withheld from Public Inspection Pursuant to 47 C.F.R. §0.459 and 5 U.S.C. §552(b)(4): Five-Year Service Quality Improvement Plan Progress Report included in FCC Form 481

Confidential Financial Information – Subject to Protective Order in WC Docket Nos. 10-90, 07-135, 05-337, 03-109, 14-58, CC Docket Nos. 01-92, 96-45, GN Docket No. 09-51, WT Docket No. 10-208, Before the Federal Communications Commission

Dear Ms. Dortch:

In accordance with the annual reporting requirements of 47 C.F.R. §§54.313 and 54.422, Wes-Tex Telephone Cooperative, Inc. (the Cooperative), Study Area Code 442168 is submitting a completed FCC Form 481 to the Commission via its Electronic Comment Filing System (ECFS) in WC Docket No. 14-58. The Cooperative, by its authorized representative, hereby requests confidential treatment of two attachments to its FCC Form 481: (1) the five-year service quality improvement plan progress report and (2) the financial annual report, both of which were redacted in the ECFS submission. The request for confidential treatment of the five-year plan progress report is being made pursuant to Section 0.459 of the Commission's rules and Exemption 4 of the Freedom of Information Act (FOIA). The request for confidential treatment of the financial annual report is being made pursuant to the FCC's June 17, 2015 *Protective Order* in WC Docket

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Ms. Marlene Dortch

Page 2

No. 10-90 *et al.* These attachments contain competitively sensitive data that Wes-Tex Telephone Cooperative, Inc. maintains as confidential and does not normally make available to the public. Release of this information would have a substantial negative impact on the Cooperative.

Five-Year Service Quality Improvement Plan Progress Report

Pursuant to Section 0.459 of the Commission's rules and Exemption 4 of FOIA, Wes-Tex Telephone Cooperative, Inc. requests that the text and data extracted from its five-year service quality improvement plan progress report be withheld from public inspection because it contains competitively sensitive commercial and financial information that the Cooperative keeps confidential. Public availability of this information would have a substantial negative impact on the Cooperative.

In accordance with Section 0.459 of the Commission's rules, the following information is provided in support of this request:

(1) Identification of the specific information for which confidential treatment is sought:

Attachment to Line 112 of FCC Form 481 – Five-Year Service Quality Improvement Plan Progress Report. Specifically, confidential treatment is sought for all information in the five-year plan progress report related to the Cooperative's access line counts, existing broadband capabilities, and current and planned financial investments in its network that will improve service quality, service coverage, and/or service capacity for its customers.

(2) Identification of the Commission proceeding in which the information was submitted or a description of the circumstances giving rise to the submission:

The information was submitted in WC Docket No. 14-58 as an attachment to FCC Form 481- the Carrier Annual Reporting Data Collection Form. Section 100 of FCC Form 481 requires incumbent local exchange carriers receiving high cost support to attach a progress report on its five-year service quality improvement plan, pursuant to 47 C.F.R. §54.313(a)(1).

(3) Explanation of the degree to which the information is commercial or financial, or contains a trade secret or is privileged:

The five-year service quality improvement plan progress report contains granular information on the Cooperative's access line counts and/or existing broadband capabilities as well as recent and planned capital investments in its network to improve service quality, service coverage, and/or service capacity. It also contains a map of the Cooperative's service area detailing progress toward meeting broadband

deployment targets at the wire center level. This is closely guarded, privileged information that the Cooperative does not make publicly available.

- (4) Explanation of the degree to which the information concerns a service that is subject to competition:

Broadband is subject to increasing competition in the areas served by rural, rate-of-return incumbent local exchange carriers (RLECs). Virtually all RLECs face competition from one or more wireless Internet service providers. Most RLECs also face competition from at least one other wireline broadband provider, such as a larger cable company, who will typically seek to “cherry pick” the lower cost portions of the study area. In addition, all RLECs face competition throughout their territories from satellite broadband providers.

- (5) Explanation of how disclosure of the information could result in substantial competitive harm:

Disclosure of the information contained in the five-year plan progress report would provide competitors with detailed, granular information regarding the Cooperative’s access line count, its existing broadband capabilities, and its recent and planned network investments that improve service quality, coverage, and/or capacity for subscribers. This would give competitors invaluable confidential information with which to develop their own strategies for investing in the service area, thereby bringing substantial competitive harm to the Cooperative.

- (6) Identification of any measures taken by the submitting party to prevent unauthorized disclosure:

The Cooperative has continually treated the extracted information in its five-year plan progress report as confidential and carefully controls the information to protect it from competitors. Access to the information is limited to employees that require it and to non-employees with confidentiality obligations such as lenders, consultants, auditors, and attorneys. In addition, when such information is required to be submitted to a state regulatory authority it has been filed as confidential information, not available to the public.

- (7) Identification of whether the information is available to the public and the extent of any previous disclosure of the information to third parties:

The redacted information in the five-year plan progress report is not available to the public, and third-party access is limited as described in (6) above.

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Ms. Marlene Dortch

Page 4

- (8) Justification of the period during which the submitting party asserts that material should not be available for public disclosure:

The Cooperative requests that the extracted information be withheld from public inspection indefinitely. The information in the five-year plan progress report details the Cooperative's most recent network upgrades in relation to its previously submitted service quality improvement plan. It may also contain upcoming planned network improvements during the five-year period ending 2019. This information would provide a very useful baseline for competitors for several years beyond that period.

- (9) Any other information that the party seeking confidential information treatment believes may be useful in assessing whether its request for confidentiality should be granted:

Exemption 4 of FOIA shields from public disclosure commercial or financial information obtained from a person that is privileged or confidential. Based on the responses provided above, the information in question satisfies this test.

Financial Annual Report

Section 3005 of FCC Form 481 requires a privately-held rate-of-return carrier receiving high cost support to attach a full and complete annual report of the company's financial condition and operations pursuant to 47 C.F.R. §54.313(f)(2). Wes-Tex Telephone Cooperative, Inc. seeks confidential treatment of its financial annual report pursuant to the June 17, 2015 *Protective Order* in WC Docket No. 10-90, *et al.*¹ The *Protective Order* specifically covers information filed pursuant to 47 C.F.R. §54.313(f)(2).

Wes-Tex Telephone Cooperative, Inc. is providing to the Office of the Secretary, under seal, this cover letter and the Form 481 filing which includes the confidential information that is being requested to be withheld from public inspection.

Each page of the five-year service quality improvement plan progress report confidential submission bears the legend, "CONFIDENTIAL – NOT FOR PUBLIC DISCLOSURE."

Each page of the financial annual report confidential submission bears the legend, "CONFIDENTIAL FINANCIAL INFORMATION – SUBJECT TO PROTECTIVE ORDER IN WC DOCKET NOS. 10-90, 07-135, 05-337, 03-109, 14-58, CC DOCKET NOS. 01-92, 96-45, GN DOCKET NO. 09-51, WT DOCKET NO. 10-208, BEFORE THE FEDERAL COMMUNICATIONS COMMISSION."

¹ *Connect America Fund et al.*, WC Docket No. 10-90 *et al.*, Protective Order, DA 15-712 (rel. June 17, 2015).

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Ms. Marlene Dortch
Page 5

Two copies of the Form 481 filing in redacted form and an accompanying cover letter are also being provided with the confidential filing. Each page of the redacted filing and accompanying cover letter is marked "REDACTED – FOR PUBLIC INSPECTION."

Two copies of this cover letter and the Form 481 filing with the confidential information are also being delivered to Mr. Charles Tyler, Telecommunications Access Policy Division, Wireline Competition Bureau.

The confidential information has also been submitted to the Universal Service Administrative Company through its E-File system as attachments to the FCC Form 481.

This cover letter includes no confidential information and the text is the same in both the non-redacted and redacted versions except for the confidentiality markings.

Please contact me if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Dorothy Young". The signature is fluid and cursive, with the first name "Dorothy" and last name "Young" clearly distinguishable.

Dorothy Young
Authorized Representative for
Wes-Tex Telephone Cooperative, Inc.

DY/pjf

Enclosures

cc: Mr. Charles Tyler, Telecommunications Access Policy Division, Wireline Competition Bureau, Federal Communications Commission, (2 hardcopies of non-redacted submission)

Mr. Bob Wilson, Wes-Tex Telephone Cooperative, Inc.

**FCC Form 481 - Carrier Annual Reporting
Data Collection Form**

 FCC Form 481
 OMB Control No. 3060-0986/OMB Control No. 3060-0819
 July 2013

<010> Study Area Code	442168
<015> Study Area Name	WES-TEX TEL CO-OP
<020> Program Year	2016
<030> Contact Name: Person USAC should contact with questions about this data	Darren Patrick
<035> Contact Telephone Number: Number of the person identified in data line <030>	4327563393 ext.
<039> Contact Email Address: Email of the person identified in data line <030>	dpatrick@westex.coop

ANNUAL REPORTING FOR ALL CARRIERS		54.313 Completion Required	54.422 Completion Required
(check box when complete)			
<100> Service Quality Improvement Reporting	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<200> Outage Reporting (voice)	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<210> <input checked="" type="checkbox"/> <-- check box if no outages to report		<input checked="" type="checkbox"/>	<input type="checkbox"/>
<300> Unfulfilled Service Requests (voice)	0	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<310> Detail on Attempts (voice)	<div style="border: 1px solid black; height: 40px; width: 100%;"></div> (attach descriptive document)	<input type="checkbox"/>	<input type="checkbox"/>
<320> Unfulfilled Service Requests (broadband)	0	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<330> Detail on Attempts (broadband)	<div style="border: 1px solid black; height: 40px; width: 100%;"></div> (attach descriptive document)	<input type="checkbox"/>	<input type="checkbox"/>
<400> Number of Complaints per 1,000 customers (voice)			
<410> Fixed	0.0	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<420> Mobile	0.0	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<430> Number of Complaints per 1,000 customers (broadband)		<input checked="" type="checkbox"/>	<input type="checkbox"/>
<440> Fixed	0.0	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<450> Mobile	0.0	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<500> Service Quality Standards & Consumer Protection Rules Compliance	(check to indicate certification)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<510> <div style="border: 1px solid black; padding: 2px;">442168tx510.pdf</div>	(attached descriptive document)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<600> Functionality in Emergency Situations	(check to indicate certification)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<610> <div style="border: 1px solid black; padding: 2px;">442168tx610.pdf</div>	(attached descriptive document)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<700> Company Price Offerings (voice)	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<710> Company Price Offerings (broadband)	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<800> Operating Companies and Affiliates	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<900> Tribal Land Offerings (Y/N)? <input type="radio"/> <input checked="" type="radio"/>	(if yes, complete attached worksheet)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<1000> Voice Services Rate Comparability Certification	Yes <input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<1010> <div style="border: 1px solid black; padding: 2px;">442168tx1010.pdf</div>	(attach descriptive document)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<1100> Certify whether terrestrial backhaul options exist (Yes or No) <input checked="" type="radio"/> <input type="radio"/>	(if not, check to indicate certification)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<1110>	(complete attached worksheet)	<input type="checkbox"/>	<input type="checkbox"/>
<1200> Terms and Condition for Lifeline Customers	(complete attached worksheet)	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Price Cap Carriers, Proceed to Price Cap Additional Documentation Worksheet

Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers

<2000>	(check to indicate certification)	<input type="checkbox"/>	<input type="checkbox"/>
<2005>	(complete attached worksheet)	<input type="checkbox"/>	<input type="checkbox"/>

Rate of Return Carriers, Proceed to ROR Additional Documentation Worksheet

<3000>	(check to indicate certification)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<3005>	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input type="checkbox"/>

(100) Service Quality Improvement Reporting Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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<010>	Study Area Code	442168
<015>	Study Area Name	WES-TEX TEL CO-OP
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	Darren Patrick
<035>	Contact Telephone Number - Number of person identified in data line <030>	4327563393 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	dpatrick@westex.coop

<110>	Has your company received its ETC certification from the FCC?	(yes / no) <input type="radio"/> <input checked="" type="radio"/>
<111>	If your answer to Line <110> is yes, do you have an existing §54.202(a) "5 year plan" filed with the FCC?	(yes / no) <input type="radio"/> <input type="radio"/>

If your answer to Line <111> is yes, then you are required to file a progress report, on line <112> delineating the status of your company's existing § 54.202(a) "5 year plan" on file with the FCC, as it relates to your provision of voice telephony service.

442168tx112.pdf

<112>	Attach Five-Year Service Quality Improvement Plan or, in subsequent years, your annual progress report filed pursuant to 47 C.F.R. § 54.313(a)(1). If your company is a CETC which only receives frozen support, your progress report is only required to address voice telephony service.	
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Name of Attached Document

Please select the appropriate responses below (Yes, No, Not Applicable) to confirm that the attached document(s), on line 112, contains a progress report on its five-year service quality improvement plan pursuant to §54.202(a). The information shall be submitted at the wire center level or census block as appropriate.

<113>	Maps detailing progress towards meeting plan targets	Yes
<114>	Report how much universal service (USF) support was received	Yes
<115>	How much (USF) was used to improve service quality and how support was used to improve service quality	Yes
<116>	How much (USF) was used to improve service coverage and how support was used to improve service coverage	Yes
<117>	How much (USF) was used to improve service capacity and how support was used to improve service capacity	Yes
<118>	Provide an explanation of network improvement targets not met in the prior calendar year.	Not Applicable

<010>	Study Area Code	442168
<015>	Study Area Name	WES-TEX TEL CO-OP
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	Darren Patrick
<035>	Contact Telephone Number - Number of person identified in data line <030>	4327563393 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	dpatrik@westex.coop

[illegible]

<010>	Study Area Code	442168
<015>	Study Area Name	WES-TEX TEL CO-OP
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	Darren Patrick
<035>	Contact Telephone Number - Number of person identified in data line <030>	4327563393 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	dpatrik@westex.coop

<701>	Residential Local Service Charge Effective Date	1/1/2015
<702>	Single State-wide Residential Local Service Charge	

[illegible]

<010>	Study Area Code	442168
<015>	Study Area Name	WES-TEX TEL CO-OP
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	Darren Patrick
<035>	Contact Telephone Number - Number of person identified in data line <030>	4327563393 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	dpatrick@westex.coop

[illegible]

[illegible]

(900) Tribal Lands Reporting Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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<010>	Study Area Code	442168
<015>	Study Area Name	WES-TEX TEL CO-OP
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	Darren Patrick
<035>	Contact Telephone Number - Number of person identified in data line <030>	4327563393 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	dpatrick@westex.coop

<910>	Tribal Land(s) on which ETC Serves	
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<920>	Tribal Government Engagement Obligation	
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Name of Attached Document

If your company serves Tribal lands, please select (Yes,No, NA) for each these boxes to confirm the status described on the attached document(s), on line 920, demonstrates coordination with the Tribal government pursuant to § 54.313(a)(9) includes:

- <921> Needs assessment and deployment planning with a focus on Tribal community anchor institutions.
- <922> Feasibility and sustainability planning;
- <923> Marketing services in a culturally sensitive manner;
- <924> Compliance with Rights of way processes
- <925> Compliance with Land Use permitting requirements
- <926> Compliance with Facilities Siting rules
- <927> Compliance with Environmental Review processes
- <928> Compliance with Cultural Preservation review processes
- <929> Compliance with Tribal Business and Licensing requirements.

Select Yes or No or Not Applicable

**(1100) No Terrestrial Backhaul Reporting
Data Collection Form**

 FCC Form 481
 OMB Control No. 3060-0986/OMB Control No. 3060-0819
 July 2013

<010>	Study Area Code	442168
<015>	Study Area Name	WES-TEX TEL CO-OP
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	Darren Patrick
<035>	Contact Telephone Number - Number of person identified in data line <030>	4327563393 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	dpatrick@westex.coop

<1120> Please confirm whether terrestrial backhaul options exist within the supported area pursuant to § 54.313(g) (Yes, No).

<1130> Please select the appropriate response (Yes, No, Not Applicable) to confirm the reporting carrier offers broadband service of at least 1 Mbps downstream and 256 kbps upstream within the supported area pursuant to § 54.313(g).

(1200) Terms and Condition for Lifeline Customers
Lifeline
Data Collection Form

FCC Form 481
 OMB Control No. 3060-0986/OMB Control No. 3060-0819
 July 2013

<010>	Study Area Code	442168
<015>	Study Area Name	WES-TEX TEL CO-OP
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	Darren Patrick
<035>	Contact Telephone Number - Number of person identified in data line <030>	4327563393 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	dpatrick@westex.coop

<1210> Terms & Conditions of Voice Telephony Lifeline Plans

442168tx1210.pdf

Name of Attached Document

<1220> Link to Public Website

HTTP

"Please check these boxes below to confirm that the attached document(s), on line 1210, or the website listed, on line 1220, contains the required information pursuant to § 54.422(a)(2) annual reporting for ETCs receiving low-income support, carriers must annually report:

- <1221> Information describing the terms and conditions of any voice telephony service plans offered to Lifeline subscribers, ☒
- <1222> Details on the number of minutes provided as part of the plan, ☒
- <1223> Additional charges for toll calls, and rates for each such plan. ☒

(2000) Price Cap Carrier Additional Documentation

FCC Form 481

Data Collection Form

OMB Control No. 3060-0986/OMB Control No. 3060-0819

Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers

July 2013

<010>	Study Area Code	
<015>	Study Area Name	442108
<020>	Program Year	WES-TEX TEL CO-OP
<030>	Contact Name - Person USAC should contact regarding this data	2016
<035>	Contact Telephone Number - Number of person identified in data line <030>	Barren Patrick
<039>	Contact Email Address - Email Address of person identified in data line <030>	4327963333 ext.
		opatrick@westex.coop

Select the appropriate responses below (Yes, No, Not Applicable) to note compliance as a recipient of Incremental Connect America Phase I support, frozen High Cost support, High Cost support to offset access charge reductions, and Connect America Phase II support as set forth in 47 CFR § 54.313(b),(c),(d),(e). The information reported on this form and in the documents attached below is accurate.

Incremental Connect America Phase I reporting

- <2010> 2nd Year Certification {47 CFR § 54.313(b)(1)i}
 <2011a> 3rd Year Certification {47 CFR § 54.313(b)(1)ii}
 <2011b> Attachment {47 CFR § 54.313(b)(1)iii}

Name of Attached Document(s) Listing Required Information

Price Cap Carrier Receiving Frozen Support Certification {47 CFR § 54.312(a)}

- <2012> 2013 Frozen Support Calculation {47 CFR § 54.313(c)(1)}
 <2013> 2014 Frozen Support Calculation {47 CFR § 54.313(c)(2)}
 <2014> 2015 Frozen Support Calculation {47 CFR § 54.313(c)(3)}
 <2015> 2016 and future Frozen Support Calculation {47 CFR § 54.313(c)(4)}

Price Cap Carrier Connect America ICC Support {47 CFR § 54.313(d)}

- <2016> Certification Support Used to Build Broadband

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Connect America Phase II Reporting {47 CFR § 54.313(e)}

- <2017> 3rd year Broadband Service Certification
 <2018> 5th year Broadband Service Certification
 <2019> Interim Progress Certification
 <2020> Please check the box to confirm that the attached document(s), on line 2021, contains the required information pursuant to § 54.313 (e)(3)(ii), as a recipient of CAF Phase II support shall provide the number, names, and addresses of community anchor institutions to which began providing access to broadband service in the preceding calendar year.

- <2021> Interim Progress Community Anchor Institutions

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Name of Attached Document(s) Listing Required Information

(3000) Rate Of Return Carrier Additional Documentation	FCC Form 481
Data Collection Form	OMB Control No. 3060-0986/OMB Control No. 3060-0819
	July 2013

<010> Study Area Code	442168
<015> Study Area Name	WES-TEX TEL CO-OP
<020> Program Year	2016
<030> Contact Name - Person USAC should contact regarding this data	Darren Patrick
<035> Contact Telephone Number - Number of person identified in data line <030>	4327563393 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	dpatrik@westex.coop

CHECK the boxes below to note compliance on its five year service quality plan (pursuant to 47 CFR § 54.202(a)) and, for privately held carriers, ensuring compliance with the financial reporting requirements set forth in 47 CFR § 54.313(f)(2). I further certify that the information reported on this form and in the documents attached below is accurate.

442168tx3010.pdf

(3010) **Progress Report on 5 Year Plan**
Milestone Certification {47 CFR § 54.313(f)(1)(i)}

Name of Attached Document Listing Required Information

(3011) Please check this box to confirm that the attached document(s), on line 3012 contains the required information pursuant to § 54.313 (f)(1)(ii), the carrier shall provide the number, names, and addresses of community anchor institutions to which began providing access to broadband service in the preceding calendar year. ☒

442168tx3012.pdf

(3012) Community Anchor Institutions {47 CFR § 54.313(f)(1)(ii)}

Name of Attached Document Listing Required Information

(3013) Is your company a Privately Held ROR Carrier {47 CFR § 54.313(f)(2)}
(3014) If yes, does your company file the RUS annual report

(Yes/No) ☒ ☒
(Yes/No) ☒ ☒

Please check these boxes to confirm that the attached document(s), on line 3017, contains the required information pursuant to § 54.313(f)(2) compliance requires:

(3015) Electronic copy of their annual RUS reports (Operating Report for Telecommunications Borrowers) ☒

(3016) Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows ☒

442168tx3017.pdf

(3017) If the response is yes on line 3014, attach your company's RUS annual report and all required documentation

Name of Attached Document Listing Required Information

(3018) If the response is no on line 3014, is your company audited?

(Yes/No) ☒ ☒

If the response is yes on line 3018, please check the boxes below to confirm your submission, on line 3026 pursuant to § 54.313(f)(2), contains

(3019) Either a copy of their audited financial statement; or (2) a financial report in a format comparable to RUS Operating Report for Telecommunications ☐

(3020) Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows ☐

(3021) Management letter and audit opinion issued by the independent certified public accountant that performed the company's financial audit ☐

If the response is no on line 3018, please check the boxes below to confirm your submission, on line 3026 pursuant to § 54.313(f)(2), contains:

(3022) Copy of their financial statement which has been subject to review by an independent certified public accountant; or 2) a financial report in a format comparable to RUS Operating Report for Telecommunications Borrowers, ☐

(3023) Underlying information subjected to a review by an independent certified public accountant ☐

(3024) Underlying information subjected to an officer certification. ☐

(3025) Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows

(3026) Attach the worksheet listing required information

Name of Attached Document Listing Required Information

(3000) Rate Of Return Carrier Additional Documentation (Continued)	FCC Form 481
Data Collection Form	OMB Control No. 3060-0986/OMB Control No. 3060-0819
	July 2013

<010>	Study Area Code	442168
<015>	Study Area Name	WES-TEX TEL CO-OP
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	Darren Patrick
<035>	Contact Telephone Number - Number of person identified in data line <030>	4327563393 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	dpatrick@westex.coop

Financial Data Summary

- (3027) Revenue
- (3028) Operating Expenses
- (3029) Net Income
- (3030) Telephone Plant In Service(TPIS)
- (3031) Total Assets
- (3032) Total Debt
- (3033) Total Equity
- (3034) Dividends



Certification - Reporting Carrier Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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<010>	Study Area Code	442168
<015>	Study Area Name	WES-TEX TEL CO-OP
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	Darren Patrick
<035>	Contact Telephone Number - Number of person identified in data line <030>	4327563393 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	dpatrick@westex.coop

TO BE COMPLETED BY THE REPORTING CARRIER, IF THE REPORTING CARRIER IS FILING ANNUAL REPORTING ON ITS OWN BEHALF:

Certification of Officer as to the Accuracy of the Data Reported for the Annual Reporting for CAF or LI Recipients	
I certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual reporting requirements for universal service support recipients; and, to the best of my knowledge, the information reported on this form and in any attachments is accurate.	
Name of Reporting Carrier:	
Signature of Authorized Officer:	Date
Printed name of Authorized Officer:	
Title or position of Authorized Officer:	
Telephone number of Authorized Officer:	
Study Area Code of Reporting Carrier:	Filing Due Date for this form:
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

Certification - Agent / Carrier Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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<010> Study Area Code	442168
<015> Study Area Name	WES-TEX TEL CO-OP
<020> Program Year	2016
<030> Contact Name - Person USAC should contact regarding this data	Darren Patrick
<035> Contact Telephone Number - Number of person identified in data line <030>	4327563393 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	dpatrick@westex.coop

TO BE COMPLETED BY THE REPORTING CARRIER, IF AN AGENT IS FILING ANNUAL REPORTS ON THE CARRIER'S BEHALF:

Certification of Officer to Authorize an Agent to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier	
I certify that (Name of Agent) <u>Dorothy Young</u> is authorized to submit the information reported on behalf of the reporting carrier. I also certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual data reporting requirements provided to the authorized agent; and, to the best of my knowledge, the reports and data provided to the authorized agent is accurate.	
Name of Authorized Agent:	<u>Dorothy Young</u>
Name of Reporting Carrier:	<u>WES-TEX TEL CO-OP</u>
Signature of Authorized Officer:	<u>CERTIFIED ONLINE</u> Date: <u>06/23/2015</u>
Printed name of Authorized Officer:	<u>J Wilson</u>
Title or position of Authorized Officer:	<u>Executive Vice President</u>
Telephone number of Authorized Officer:	<u>4327563393 ext.</u>
Study Area Code of Reporting Carrier:	<u>442168</u> Filing Due Date for this form: <u>07/01/2015</u>
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

TO BE COMPLETED BY THE AUTHORIZED AGENT:

Certification of Agent Authorized to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier	
I, as agent for the reporting carrier, certify that I am authorized to submit the annual reports for universal service support recipients on behalf of the reporting carrier; I have provided the data reported herein based on data provided by the reporting carrier; and, to the best of my knowledge, the information reported herein is accurate.	
Name of Reporting Carrier:	<u>WES-TEX TEL CO-OP</u>
Name of Authorized Agent or Employee of Agent:	<u>Dorothy Young</u>
Signature of Authorized Agent or Employee of Agent:	<u>CERTIFIED ONLINE</u> Date: <u>06/19/2015</u>
Printed name of Authorized Agent or Employee of Agent:	<u>Dorothy Young</u>
Title or position of Authorized Agent or Employee of Agent:	<u>Authorized Representative</u>
Telephone number of Authorized Agent or Employee of Agent:	<u>5126527726 ext.</u>
Study Area Code of Reporting Carrier:	<u>442168</u> Filing Due Date for this form: <u>07/01/2015</u>
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

Attachments

(700) Price Offerings including Voice Rate Data Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

<010>	Study Area Code	442168
<015>	Study Area Name	WES-TEX TEL CO-OP
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	Darren Patrick
<035>	Contact Telephone Number - Number of person identified in data line <030>	4327563393 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	dpatrik@westex.coop

<701>	Residential Local Service Charge Effective Date	1/1/2015
<702>	Single State-wide Residential Local Service Charge	

[illegible]

<p>(710) Broadband Price Offerings</p> <p>Data Collection Form</p>	<p>FCC Form 481</p> <p>OMB Control No. 3060-0986/OMB Control No. 3060-0819</p> <p>July 2013</p>
--	---

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

<010>	Study Area Code	442168
<015>	Study Area Name	WES-TEX TEL CO-OP
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	Darren Patrick
<035>	Contact Telephone Number - Number of person identified in data line <030>	4327563393 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	dpatrik@westex.coop

[illegible]

(800) Operating Companies	FCC Form 481
Data Collection Form	OMB Control No. 3060-0986/OMB Control No. 3060-0819
	July 2013

(800) Operating Companies	FCC Form 481
Data Collection Form	OMB Control No. 3060-0986/OMB Control No. 3060-0819
	July 2013

<010>	Study Area Code	442168
<015>	Study Area Name	WES-TEX TEL CO-OP
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	Darren Patrick
<035>	Contact Telephone Number - Number of person identified in data line <030>	4327563393 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	dpatrick@westex.coop
<810>	Reporting Carrier	Wes-Tex Telephone Cooperative, Inc.
<811>	Holding Company	Wes-Tex Telephone Cooperative, Inc.
<812>	Operating Company	Wes-Tex Telephone Cooperative, Inc.

[illegible]

**LINE 112 – FIVE-YEAR SERVICE QUALITY IMPROVEMENT PLAN
PROGRESS REPORT**



The Cooperative received \$874,552 in Universal Service Fund (“USF”) support during the period January through April 2015. It projects that it will receive \$476,040 in USF support during the period May-June 2015. The Cooperative therefore projects that its total USF support for the first half of 2015 (Jan.-Jun.) will be \$1,350,592.



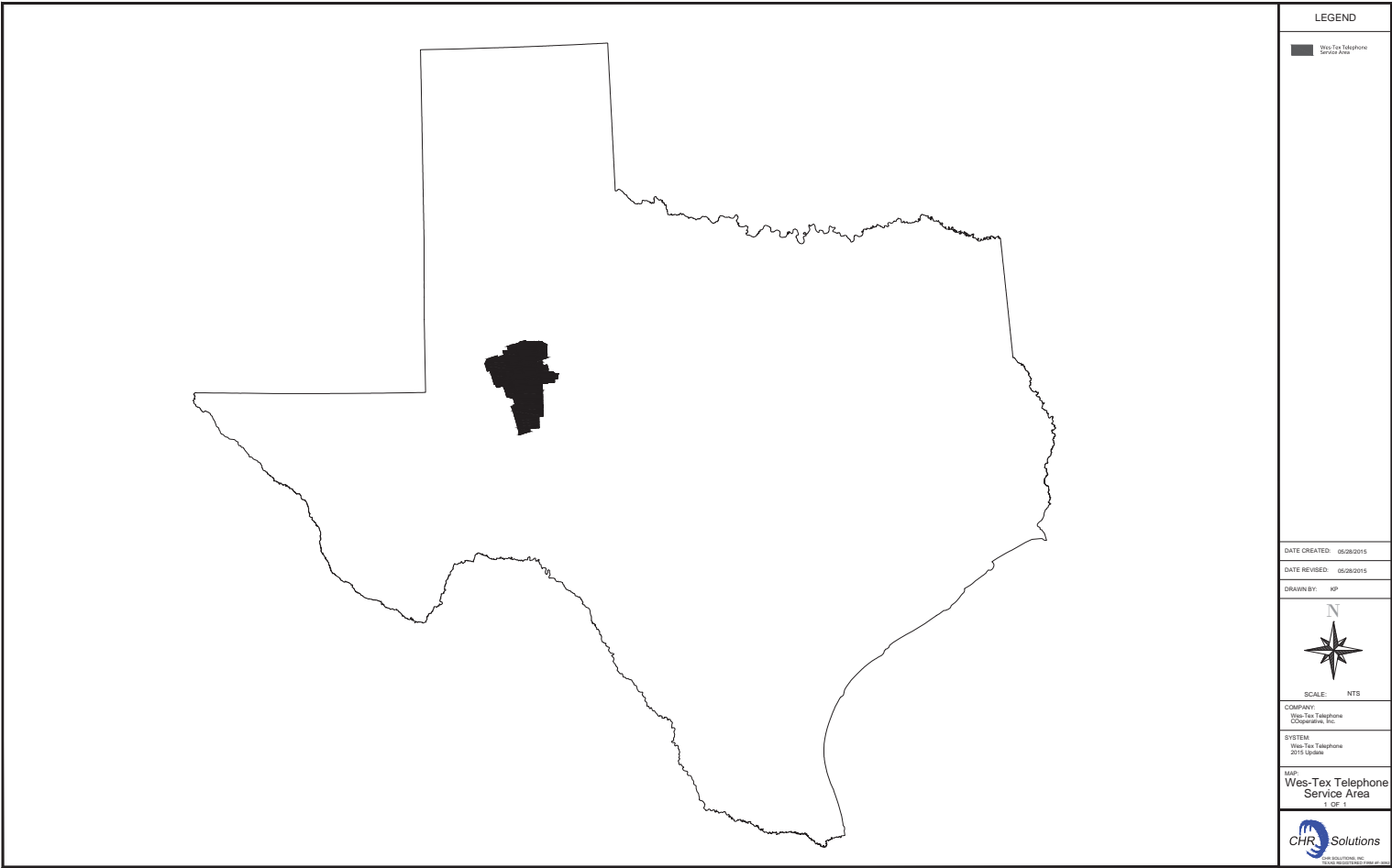
Service Quality Improvement Plan Progress Report

Exchange	Description of Improvements	2015 Forecast	2015 Progress (Jan-Jun)
GRAND TOTAL			

2015 Progress Report Description







LEGEND

■ Wes-Tex Telephone Service Area

DATE CREATED: 05/28/2015

DATE REVISED: 05/28/2015

DRAWN BY: KP

N

SCALE: NTS

COMPANY:
Wes-Tex Telephone Corporation, Inc.

SYSTEM:
Wes-Tex Telephone 2015 Update

MAP:
Wes-Tex Telephone Service Area
1 OF 1

CHR Solutions
CHR SOLUTIONS, INC.
10000 WEST 10TH AVENUE, SUITE 100
DENVER, CO 80231



LINE 510 - SERVICE QUALITY STANDARDS AND CONSUMER PROTECTION RULES COMPLIANCE

Wes-Tex Telephone Cooperative, Inc. (the Cooperative) complies with applicable service quality standards and consumer protection rules as required by the Public Utility Commission of Texas (PUCT) and the Federal Communications Commission.

The rates, terms, and conditions under which the Cooperative operates are outlined in its Member Services Tariff, which is approved by the PUCT. The Cooperative's tariff contains provisions regarding its customer service and protection practices, including resolving disputes with the Cooperative, applying for service, the classification of business and residential rates, deposits, billing and payment for service, refusal, disconnection and cancellation of service. The tariff is available for customer review in the Business Office, as requested. Rates and terms of service are disclosed to customers upon application for service both verbally and in writing as part of a packet of information for new customers. Rates, applications and certain terms of service are also available on the Cooperative's website.

Service quality standards for voice service are established by the PUCT and the Cooperative consistently meets or exceeds the standards and provides reports to the PUCT, in accordance with the state commission rules.

With regard to broadband service, the Cooperative provisions its network and equipment to ensure that its customers can enjoy the speeds to which they subscribe. However, Internet speeds generally result from a "best effort" service and are dependent upon a number of variables, many of which are outside the control of the Cooperative.

The Cooperative complies with any and all consumer protection obligations under state law.

The Cooperative also complies with the following consumer best practices: (1) the Cooperative discloses its rates and terms of service to customers; (2) the Cooperative provides specific disclosures in its advertising; (3) the Cooperative separately identifies carrier charges from taxes on its billing statements; (4) the Cooperative provides ready access to customer service; (5) the Cooperative promptly responds to consumer inquiries and complaints received from government agencies; and (6) the Cooperative abides by policies for protection of consumer privacy.

Finally, the protection of customers' privacy and information is of utmost importance and the Cooperative has a policy and established operating procedures that comply with the FCC's Customer Proprietary Network Information Rules (47 C.F.R. §§64.2001-64.2011). Certification and a description of those operating procedures are filed at the FCC annually.

LINE 610 - ABILITY TO FUNCTION IN EMERGENCY SITUATIONS

Wes-Tex Telephone Cooperative, Inc. (the Cooperative) is able to function in emergency situations. The Cooperative has a reasonable amount of back-up power to ensure functionality without an external power source, is able to reroute traffic around damaged facilities, and, is capable of managing traffic spikes resulting from emergency situations. Standby power generators are supplied at the central office, remote switch sites, and repeater sites to ensure functionality without an external power source until power is restored. Any central office not equipped with permanently installed standby generators contains as a minimum four hours of battery reserve without voltage falling below the level required for proper operation of all equipment. In addition, all central offices without installed emergency power facilities have a mobile power unit available which can be delivered and connected on short notice.

Although the Cooperative's ability to reroute traffic around damaged facilities is not absolute and may be limited in certain circumstances, there is a restoration plan in place for expeditious recovery of service.

LINE 1010 – VOICE SERVICES RATE COMPARABILITY

The Wireline Competition Bureau's most recent reasonable comparability benchmark for voice services is \$47.48, which includes the federal subscriber line charge ("SLC").¹

In the exchanges served by Wes-Tex Telephone Cooperative, Inc., the highest single-line residential local rate, including any mandatory extended area service charge, is \$17.50. When the federal SLC and the state universal service fee are added, the total is less than the reasonable comparability benchmark of \$47.48.

¹ *Wireline Competition Bureau Announces Results of 2015 Urban Rate Survey for Fixed Voice and Broadband Services and Posting of Survey Data and Explanatory Notes*, Public Notice, WC Docket No. 10-90, DA 15-470 (rel. April 16, 2015).

LINE 1210 – TERMS & CONDITIONS OF VOICE TELEPHONY LIFELINE PLANS

In the exchanges of Ackerly and Luther, Wes-Tex Telephone Cooperative, Inc., (the Cooperative) offers qualified Lifeline subscribers a discount of \$13.25 (federal discount of \$9.25 + a state Lifeline discount of \$3.50 + an additional area discount of \$0.50) to the stand-alone residential local exchange service line rate of \$16.00. The Lifeline rate for single-line residential voice service, including any mandatory extended area service charge and the federal subscriber line charge, is \$9.25 (\$22.50 less the \$13.25 discount).

In the exchanges of Coahoma and Sand Springs, the Cooperative offers qualified Lifeline subscribers a discount of \$14.07 (federal discount of \$9.25 + a state Lifeline discount of \$3.50 + an additional area discount of \$1.32) to the stand-alone residential local exchange service line rate of \$16.00. The Lifeline rate for single-line residential voice service, including any mandatory extended area service charge and the federal subscriber line charge, is \$8.43 (\$22.50 less the \$14.07 discount).

In the exchanges of Garden City, Saint Lawrence, and Vincent, the Cooperative offers qualified Lifeline subscribers a discount of \$12.92 (federal discount of \$9.25 + a state Lifeline discount of \$3.50 + an additional area discount of \$0.17) to the stand-alone residential local exchange service line rate of \$12.50. The Lifeline rate for single-line residential voice service, including any mandatory extended area service charge and the federal subscriber line charge, is \$9.58 (\$22.50 less the \$12.92 discount).

In the exchanges of Lomax and West Stanton, the Cooperative offers qualified Lifeline subscribers a discount of \$12.84 (federal discount of \$9.25 + a state Lifeline discount of \$3.50 + an additional area discount of \$0.09) to the stand-alone residential local exchange service line rate of \$12.50. The Lifeline rate for single-line residential voice service, including any mandatory extended area service charge and the federal subscriber line charge, is \$9.66 (\$22.50 less the \$12.84 discount).

In the exchange of Lenorah, the Cooperative offers qualified Lifeline subscribers a discount of \$12.75 (federal discount of \$9.25 and a state Lifeline discount of \$3.50) to the stand-alone residential local exchange service line rate of \$14.00. The Lifeline rate for single-line residential voice service, including any mandatory extended area service charge and the federal subscriber line charge, is \$11.25 (\$24.00 less the \$12.75 discount).

The exchange access line rates include an unlimited amount of local calling minutes. Additional charges for toll calls associated with the stand-alone residential access line are billed at the rates of the long distance carrier chosen by the subscriber.

Qualified Lifeline subscribers may also subscribe to the Residential Service Package for residential customers with the same reductions applied against that portion of the package rate that is for basic network service. This plan includes an unlimited nationwide long distance calling plan, tone dialing and a choice of custom calling features.

See attached pages from the Cooperative's Member Services Tariff for the terms and conditions of Lifeline service.

MEMBER SERVICES TARIFF

LOCAL EXCHANGE SERVICE

III. LIFELINE PROGRAM

The Lifeline Program is a retail local service offering designed to make telephone service available at reduced rates to qualifying low-income customers.

A. General

1. A qualifying low-income customer subscribing to the Lifeline Program shall receive federal and state reductions to their monthly tariffed residential local exchange access line rate. When a Lifeline customer subscribes to a package of services, those same reductions will apply to that portion of the package rate that is for basic network service.

2. Nothing in this section shall prohibit a customer who is otherwise eligible for the Lifeline Program from obtaining and using telecommunications equipment and services designed to aid such customer in utilizing qualifying telecommunications services.

3. Lifeline Program reductions do not apply to surcharges, taxes, long distance service, 976 and other information related telecommunications services, and optional services such as custom calling features. Customers may obtain these services, where available, at their discretion.

4. The Lifeline Program rate reductions do not apply to service connection charges.

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MEMBER SERVICES TARIFF

LOCAL EXCHANGE SERVICE

III. LIFELINE PROGRAM (Continued)

A. General (Continued)

5. The Cooperative may not disconnect the service of a Lifeline Program customer for the non-payment of toll charges. However, the Cooperative reserves the right to implement toll blocking, at no charge, if the customer incurs a significant balance of unpaid toll bills. The Cooperative will inform the customer, by direct mail, of this change to their service due to the customer's non-payment of toll charges. Upon the customer's payment of all outstanding toll charges, the Cooperative shall remove mandatory toll blocking at no charge.

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6. Upon subscribing to the Lifeline Program, a customer will be offered a subscription, at no charge, to toll blocking service (in exchanges where technically available) which denies the customer access to the long distance telecommunications network; however, the customer is under no obligation to accept the subscription to toll blocking upon initial subscription to the Lifeline Program.

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7. The Lifeline Program rate reductions will not be available on a retroactive basis unless approved by the Public Utility Commission of Texas or the Low-Income Discount Administrator (LIDA).

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B. Designated Lifeline Program Services

The Cooperative shall offer voice telephony services that provide the following functionalities as designated Lifeline Program services:

1. Voice grade access to the public switched network or its functional equivalent
2. Minutes of use for local service provided at no additional charge to the customer
3. Access to emergency services
4. Toll blocking service

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MEMBER SERVICES TARIFF

LOCAL EXCHANGE SERVICE

III. LIFELINE PROGRAM (Continued)

C. Eligibility Requirement

1. Qualifying Low-Income (Eligible) Customer
Criteria

An eligible customer shall be defined as an individual whose annual household income is at or below 150% of the federal poverty guidelines or in whose household resides a person who receives or has a child who receives benefits from at least one of the following programs:

- a. Medicaid
- b. Food Stamps (Supplemental Nutrition Assistance Program) T
- c. Supplemental Security Income (SSI)
- d. Federal Public Housing Assistance (FPHA)
- e. Low-Income Heat and Energy Assistance Program (LIHEAP)
- f. Health benefits coverage under the state Children's Health Insurance Program (CHIP)
- g. National School Lunch Program's Free Lunch Program N
- h. Temporary Assistance for Needy Families N

The Lifeline Program rate reductions will be provided to each eligible customer. The Low-Income Discount Administrator (LIDA) will provide a list of eligible customers to the Cooperative each month.

2. Obligations of the Customer

a. Customers whose annual household income is at or below 150% of the federal poverty guidelines or who participate in FPHA or LIHEAP programs may self-enroll for Lifeline Program benefits by completing an application form and returning it to LIDA. LIDA will send a blank application upon customer request. LIDA can be reached at 1-866-4LITEUP. Current customers receiving benefits under Medicaid, Food Stamps, SSI or CHIP will be subject to the Lifeline Program automatic enrollment procedures as provided by the LIDA unless they provide a written request to the LIDA to be excluded from the Lifeline Program.

b. A customer who is eligible for the Lifeline Program but does not have telephone service at the time the LIDA provides its eligibility list to the Cooperative, shall be responsible for initiating a request for the Lifeline Program from the Cooperative.

By: J. R. Wilson
Title: Manager

Effective: June 1, 2012

MEMBER SERVICES TARIFF

LOCAL EXCHANGE SERVICE

III. LIFELINE PROGRAM (Continued)

C. Eligibility Requirement (Continued)

3. Obligations of the Cooperative

a. LIDA will provide a list of eligible customers to the Cooperative on a monthly basis. Upon receipt of the list, the Cooperative shall begin reduced billing for those customers within 30 days.

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4. Discontinuance of Service

a. Discontinuance of Lifeline Discounts for customers automatically enrolled. The eligibility period for automatically enrolled customers is the length of their enrollment in Texas Health and Human Services Commission (THHSC) benefits plus a period of 60 days for renewal. Automatically enrolled customers will have an opportunity to renew their THHSC benefits or self-enrollment with LIDA upon the expiration of their automatic enrollment.

b. Discontinuance of Lifeline Discounts for customers who have self-enrolled. Individuals not receiving benefits through THHSC programs, but who have met Lifeline income qualifications, are eligible to receive the Lifeline Discount for seven months, which includes a period of 60 days during which the customer may renew their eligibility with LIDA for an additional seven months.

By: J. R. Wilson
Title: Manager

MEMBER SERVICES TARIFF

LOCAL EXCHANGE SERVICE

III. LIFELINE PROGRAM (Continued)

C. Eligibility Requirement (Continued)

4. Discontinuance of Service (Continued)

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D. Deposit and Credit Requirements

1. The Cooperative shall be prohibited from charging a service deposit in order to initiate the Lifeline Program if the eligible customer voluntarily elects to receive toll blocking.

2. The Cooperative may charge a service deposit if the eligible customer denies subscription to toll blocking upon subscribing to the Lifeline Program.

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3. In instances where the Cooperative may require a service deposit, the same credit verification procedures and deposit regulations used for all applicants who apply for service with the Cooperative are also applicable to eligible customers for the Lifeline Program.

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By: J. R. Wilson
Title: Manager

MEMBER SERVICES TARIFF

LOCAL EXCHANGE SERVICE

III. LIFELINE PROGRAM (Continued)

E. Service Connection Charges

1. Service connection charges do not apply to eligible customers with existing, qualifying service converting to the Lifeline Program.

2. Service connection charges do apply when:

a. Existing eligible customers request additional non-qualifying services at the time Lifeline program reduced billing is initiated.

b. New customers (those without existing local exchange access service) eligible for the Lifeline Program establish qualifying service.

c. Customers make subsequent moves or changes after initial connection to the Lifeline Program.

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MEMBER SERVICES TARIFF

LOCAL EXCHANGE SERVICE

III. LIFELINE PROGRAM (Continued)

F. Lifeline Program Rate Reduction

1. Implementation

The Cooperative shall provide reduced billing to all Lifeline Program eligible customers within its service area in accordance with the Commission's Substantive rules.

In instances where a customer inquires about participation in the Lifeline Program, the Cooperative shall provide contact information for LIDA.

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By: J. R. Wilson
Title: Manager

MEMBER SERVICES TARIFF

LOCAL EXCHANGE SERVICE

III. LIFELINE PROGRAM (Continued)

F. Lifeline Program Rate Reduction (Continued)

2. Amounts

The Cooperative shall apply Lifeline Program rate reductions, per eligible customer, as described below.

a. Federal Reduction. The Cooperative shall give qualifying low-income consumers a federal discount of \$9.25 per month or equal to the support amount as directed by the Federal Communications Commission in Chapter 47 of the Code of Federal Regulations § 54.403 regarding Lifeline support.

b. State Reduction. The Cooperative shall give qualifying low-income consumers an additional state-approved discount of up to \$3.50 in the monthly amount of intrastate charges due in addition to the Area Discount described below.

c. Area Discount. The Cooperative shall give qualifying low-income consumers an area discount composed of up to 25% of any actual rate increase by the Cooperative implemented after January 1, 2014. The discount shall be consistent with P.U.C. SUBST. R. 26.412 and the Small and Rural Incumbent Local Exchange Carrier Universal Service Plan (SRILEC USP). The area discount will apply to Lifeline providers operating within the Cooperative's service area. The monthly Lifeline Area Discount is as follows:

Ackerly and Luther	\$0.50
Coahoma and Sand Springs	\$1.32
Garden City, Saint Lawrence, and Vincent	\$0.17
Lomax and West Stanton	\$0.09

d. Combined Lifeline Discounts. The Cooperative shall apply the above discounts, however, the combined discounts shall not result in a rate of less than zero for the customer's basic local service.

By: J.R. Wilson
Title: Manager

Effective:

PUBLIC UTILITY COMMISSION OF TEXAS
APPROVED

DEC 01 '14 43700

CONTROL #

LINE 3010 – MILESTONE CERTIFICATION

Wes-Tex Telephone Cooperative, Inc. (the “Cooperative”) hereby certifies that the Cooperative has taken reasonable steps to provide upon reasonable request broadband service at actual speeds of 4 Mbps downstream/1 Mbps upstream, with latency suitable for real-time applications, including Voice over Internet Protocol, and usage capacity that is reasonably comparable to reasonably comparable offerings in urban areas, and that requests for such service are met within a reasonable amount of time.

LINE 3012 – COMMUNITY ANCHOR INSTITUTIONS

Wes-Tex Telephone Cooperative, Inc. did not newly deploy broadband service to any community anchor institutions in the preceding calendar year (2014).

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is xxxx. The time required to complete this information collection is estimated to average x hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

<div>USDA-RUS</div> <div>FINANCIAL AND STATISTICAL REPORT FOR BROADBAND BORROWERS</div>		<div>This data will be used by RUS to review your financial situation. Your response is required by 7 U.S.C. 901 et seq. and, subject to federal laws and regulations regarding confidential information, will be treated as confidential.</div> <div>BORROWER NAME Wes-Tex Telephone Cooperative, Inc.</div> <div>ADDRESS Stanton, Texas</div>	
<div>INSTRUCTIONS-Submit report to RUS within 15 days after close of the period.</div>		<div>PERIOD ENDING December, 2014</div>	<div>BORROWER DESIGNATION TX1116</div>
<div>CERTIFICATION</div> <div>We hereby certify that: 1. the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief; and 2. we have fulfilled our obligations under the Loan Documents throughout the year in all material respects ALL INSURANCE REQUIRED BY 7 CFR PART 1788, CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.</div> <div><div><input type="checkbox"/> All of the obligations under the RUS loan documents have been fulfilled in all material respects.</div><div><input type="checkbox"/> There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in the notes section of this report.</div></div> <div>_____ DATE</div>			
<div>PART A. BALANCE SHEET</div>			
<div>ASSETS</div>	<div>BALANCE END OF PERIOD</div>	<div>LIABILITIES AND STOCKHOLDERS' EQUITY</div>	<div>BALANCE END OF PERIOD</div>
<div>CURRENT ASSETS</div>		<div>CURRENT LIABILITIES</div>	
<div>1. Cash and Equivalents</div>		<div>16. Accounts Payable</div>	
<div>2. Cash-RUS Construction Fund</div>		<div>17. Notes Payable</div>	
<div>3. Accounts Receivable</div>		<div>18. Current Mat. L/T Debt - RLIS</div>	
<div>4. Notes Receivable</div>		<div>19. Current Mat. UT Debt-Other</div>	
<div>5. Materials and Inventory</div>		<div>20. Current Mat.-Capital Leases</div>	
<div>6. Other Current Assets</div>		<div>21. Other Current Liabilities</div>	
<div>Total Current</div>		<div>Total Current</div>	
<div>7. Assets (1 thru 6)</div>		<div>22. Liabilities (16 thru 21)</div>	
<div>NONCURRENT ASSETS</div>		<div>LONG-TERM DEBT</div>	
<div>8. Investment in Affiliated Companies</div>		<div>23. Funded Debt-RUS Notes</div>	
<div>9. Other Noncurrent Assets</div>		<div>24. Funded Debt-RTB Notes</div>	
<div>PLANT, PROPERTY, AND EQUIPMENT</div>		<div>25. Funded Debt-FFB Notes</div>	
<div>10. Telecom. Plant-in-Service</div>		<div>26. Funded Debt-Other</div>	
		<div>Total Long-Term</div>	
<div>11. Plant Under Construction</div>		<div>27. Debt (23 thru 26)</div>	
<div>12. Plant Adj., Nonop. Plant, & Goodwill</div>		<div>OTHER LIAB. & DEF. CREDITS</div>	
<div>13. Less Accumulated Depreciation</div>		<div>28. Other Long-Term Liabilities</div>	
<div>Net Plant</div>		<div>EQUITY</div>	
<div>14. (10 thru 12 less 13)</div>		<div>29. Cap. Stock Outstand. & Subscribed</div>	
		<div>30. Additional Paid-in-Capital</div>	
		<div>31. Membership and Cap. Certificates</div>	
		<div>32. Patronage Capital Credits</div>	
		<div>33. Retained Earnings or Margins</div>	
<div>TOTAL ASSETS</div>		<div>34. Total Equity (29 thru 34)</div>	
<div>15. (7+8+9+14)</div>		<div>TOTAL LIABILITIES AND EQUITY (22+27+28+34)</div>	
<div>Total Equity</div>		<div>% of Total Assets</div>	

USDA-RUS

**FINANCIAL AND STATISTICAL REPORT
FOR BROADBAND BORROWERS**

BORROWER DESIGNATION

TX1116

PERIOD ENDING

December, 2014

PART B. STATEMENTS OF INCOME AND RETAINED EARNINGS OR MARGINS

ITEM

YEAR-TO-DATE

1. Local Network Services Revenues

a. Voice

b. Video

c. Internet

i. Broadband

ii. Other

2. Network Access Services and Long Distance Revenues

3. Miscellaneous Revenues

4. Other Operating Income

5. Uncollectible Revenues

6. Net Operating Revenues (11 thru 4 less 5)

7. Plant Specific Operations Expense

8. Plant Nonspecific Operations Expense

(Excluding Depreciation & Amortization)

9. Customer Operations Expense

10. Corporate Operations Expense

11. Other Operating Expenses

12. Total Operating Expenses (7 thru 11)

13. Operating Income or Margins (6 less 12)

14. Nonoperating/Nonregulated Net Income

15. EBIDTA (13 + 14)

16. Depreciation Expense

17. Amortization Expense

18. EBIT (15 - 16 - 17)

19. Interest on Funded Debt

20. Other Interest Expense

21. Taxes

a. Property

b. Income

22. Total Net Income or Margins

(18-19-20-21)

23 Dividends Declared (Common)

24 Dividends Paid

25 Transfers to Patronage Capital

26 Principal Payments on Long Term Debt and Capital Leases

27 TIER (19 + 20 + 22) / (19 + 20)

USDA-RUS FINANCIAL AND STATISTICAL REPORT FOR BROADBAND BORROWERS					BORROWER DESIGNATION	
					TX1116	
					PERIOD ENDING December, 2014	
PART C. SERVICES						
		1. RATES		2. SUBSCRIBERS		
		Residential	Business	Residential	Business	Total
No.	SERVICE OFFERINGS	(a)	(b)	(a)	(b)	(c)
	Broadband Data Packages					
1	25M					
2	1.5M/512K					
3	5M/2M					
4	3M/1M					
5	512K/256K					
6	10M/3M					
	Voice Packages					
7	Voice/LD					
8	Local service					

<div>USDA-RUS</div> <div>FINANCIAL AND STATISTICAL REPORT FOR BROADBAND BORROWERS</div>				BORROWER DESIGNATION	
				TX1116	
				PERIOD ENDING December, 2014	
PART C. COMMUNITIES					
No.	Community	County	State	No.Broadband Data Customers	Broadband Application
1	Other Area	Borden	TX		
2	Other Area	Dawson	TX		
3	Other Area	Glasscock	TX		
4	Coahoma town	Howard	TX		
5	Other Area	Howard	TX		
6	Other Area	Martin	TX		
7	Other Area	Midland	TX		
8	Other Area	Reagan	TX		

<p>USDA-RUS</p> <p>FINANCIAL AND STATISTICAL REPORT FOR BROADBAND BORROWERS</p>		<p>BORROWER DESIGNATION</p> <p>TX1116</p> <p>PERIOD ENDING</p> <p>December, 2014</p>
<p>PART D. STATEMENT OF CASH FLOWS</p>		
1.	Beginning Cash	
CASH FLOWS FROM OPERATING ACTIVITIES:		
2. Net Income		
<i>Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities</i>		
3. Add: Depreciation		
4. Add: Amortization		
5. Other (Explain)		
<i>Changes in Operating Assets and Liabilities:</i>		
6. Decrease/(Increase) in Accounts Receivable		
7. Decrease/(Increase) in Materials and Inventory		
8. Decrease/(Increase) in Other Current Assets		
9. Increase/(Decrease) in Accounts Payable		
10. Increase/(Decrease) in Other Current Liabilities		
11.	Net Cash Provided/(Used) by Operations	
CASH FLOWS FROM FINANCING ACTIVITIES:		
12. Decrease/(Increase) in Notes Receivable		
13. Increase/(Decrease) in Notes Payable		
14. Plus/(Less) Net Increase/(Decrease) in Long Term Debt (including current maturities)		
15. Plus: Increase/(Less: Decrease) in Capital Stock, Paid-in Capital or Membership and Capital Certificates		
16. Less: Payment of Dividends		
17. Other (Explain)		
18.	Net Cash Provided/ (Used) by Financing Activities	
CASH FLOWS FROM INVESTING ACTIVITIES:		
19. Net Capital Expenditures		
20. Long-Term Investments		
21. Other (Explain)		
22.	Net Cash Provided (Used) by Investing Activities	
23.	Net Increase/ (Decrease) in Cash	
24.	Ending Cash	

<div>USDA-RUS</div> <div>FINANCIAL AND STATISTICAL REPORT FOR BROADBAND BORROWERS</div>	BORROWER DESIGNATION	
	TX1116	
	PERIOD ENDING	
	December, 2014	
PART E. BIP PERFORMANCE MEASURES		
	New Broadband Service	Improved Broadband Service
1. Number of households subscribing to		
2. Number of businesses subscribing to		
3. Number of educational providers receiving		
4. Number of libraries receiving		
5. Number of health care providers receiving		
6. Number of public safety providers receiving		

<div>USDA-RUS</div> <div>FINANCIAL AND STATISTICAL REPORT FOR BROADBAND BORROWERS</div>	<div>BORROWER DESIGNATION</div> <div>TX1116</div> <div>PERIOD ENDING</div> <div>December, 2014</div>
Notes to Operating Report - Broadband	